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FISCAL IMPACT STATEMENT

LS 6898

BILL NUMBER: HB 1333

NOTE PREPARED: Dec 29, 2011

BILL AMENDED:

SUBJECT: Medicaid Coverage for Breast Cancer Treatment.

FIRST AUTHOR: Rep. Riecken

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
☒ **FEDERAL**

IMPACT: State

Summary of Legislation: This bill defines "treatment" for purposes of Medicaid eligibility under the federal Breast and Cervical Cancer Program.

The bill specifies that for women diagnosed with a specific type of breast cancer for which there is no specific therapy intended to prevent the recurrence of breast cancer that is used after treatment with chemotherapy or radiation therapy, the term "treatment" includes follow-up imaging studies, laboratory testing, and physician examinations.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The fiscal impact of this bill is indeterminate. The fiscal impact would depend on the number of women with the specific type of breast cancer that receive Medicaid treatment under the Breast and Cervical Cancer eligibility category. It would also depend on when a treating physician makes the determination that a woman has completed treatment. The bill could increase the number of women retaining Medicaid eligibility in order to receive laboratory, imaging, and physician services. Women who are eligible under the Breast and Cervical Cancer category are entitled to full Medicaid benefits; coverage is not limited to coverage for the treatment of breast or cervical cancer.

Any fiscal impact of the bill would be limited to a period of 18 months - from the effective date of July 1, 2012, to the implementation of the Patient Protection and Accountable Care Act (PPACA). Under the provisions of the PPACA, as of January 1, 2014, women with incomes below 138% of the federal poverty level (FPL) would be eligible for the Medicaid program, while those above 139% would be eligible for subsidized coverage and would be required to have insurance.

The Family and Social Services Administration (FSSA) indicated that the Division of Family Resources (DFR) has made some effort to inform women who become ineligible under the Breast and Cervical Cancer Treatment Program to apply for the Healthy Indiana Plan or another Medicaid category. (Federal law requires that a woman's eligibility may not be terminated until the Medicaid agency determines that she is not eligible for Medicaid under an alternate Medicaid eligibility category.) There is some indeterminate financial advantage of providing Medicaid services under the Breast and Cervical Cancer eligibility category as opposed to the Healthy Indiana Plan or any other Medicaid eligibility category since this eligibility category has an enhanced federal matching rate (FMAP) of approximately 77% as compared to the regular FMAP of approximately 67%.

In response to questions regarding whether FSSA could determine if women with triple-negative breast cancer diagnoses were being terminated from Medicaid coverage under the Breast and Cervical Cancer Treatment Program eligibility category after active treatment was completed, FSSA reported that Medicaid coverage is not based on what specific type of breast cancer is present. According to FSSA, DFR does not track physician decisions as to why eligibility is terminated and has no data available on this specific situation. If Medicaid eligibility is terminated, it is due to the fact that the treating physician has determined that the woman has completed treatment.

Background Information:

Women in need of treatment for breast or cervical cancer who are screened through the ISDH Breast and Cervical Cancer Screening Program or other providers under the federal Breast and Cervical Cancer Mortality Prevention Act of 1990 are eligible for Medicaid. Eligible women must be under the age of 65, have no credible health insurance, have family income of less than 200% of the federal poverty level, and have been determined to need treatment for breast or cervical cancer as a result of screening done by the ISDH program or other providers. FSSA reported that they cannot separate the enrollment data by the site of the cancer, so data are not available to determine the number of breast cancer patients enrolled in the eligibility category.

Triple-negative breast cancer is a molecular subtype of breast cancer that is clinically negative for expression of estrogen and progesterone receptors and HER2 protein. It is characterized by its unique molecular profile, aggressive behavior, distinct patterns of metastasis, and lack of targeted therapies like those that exist for receptor-positive tumors. The most recent studies show that 15% to 17% of all breast cancers are triple negative. This subtype occurs more commonly in African American women, women with BRAC1 mutations, and younger women.

Explanation of State Revenues: The state share of enhanced medical services expenditures is approximately 23%. Enhanced medical services are matched by the federal match rate in Indiana at approximately 77%. Administrative expenditures are generally matched at 50%. (See also *Explanation of State Expenditures*.)

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: FSSA, OMPP and DFR.

Local Agencies Affected:

Information Sources: FSSA, and “Targeting the Triple Threat” Nicole LeBrasseur, PhD, and Heather L. Van Epps, PhD, at: <http://www.tnbcfoundation.org/Cure%20Fall%2009%20Targeting%20TNBC.pdf>, “Triple-Negative Breast Cancer: Current Approaches and New Frontiers”, Eric P. Winer, MD., Lisa A. Carey, MD., George Sledge, Jr., MD., and Elisabeth Frank at: <http://www.tnbcfoundation.org/MedscapePanelOnTNBC.pdf>

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